

BEFORE THE PUBLIC DISCLOSURE COMMISSION
OF THE STATE OF WASHINGTON

IN RE COMPLIANCE)	PDC CAUSE NO. #01-181
WITH RCW 42.17)	
)	STIPULATION OF FACTS,
Metropolitan Mortgage and)	VIOLATIONS AND PENALTY
Securities, Inc.)	
)	
Respondent.)	
_____)	

Metropolitan Mortgage and Securities, Inc. (“Respondent”), and Public Disclosure Commission Enforcement Staff (“Staff”) jointly submit this Stipulation of Facts, Violations and Penalty for Commission consideration in lieu of a full enforcement hearing before the Commission. The parties agree that pursuant to RCW 42.17.360 et. seq., the Commission has the authority to accept, decline, or to suggest modifications to this Stipulation.

FACTS

Both parties agree that the Facts section of the Summary of Facts and Violations contains accurate statements of fact. The Summary of Facts and Violations, along with its exhibits, are incorporated by reference.

Staff acknowledges that the Respondent fully cooperated with the investigation in this matter. Respondent enters this Stipulation to avoid the expense and burden of an administrative hearing and subsequent litigation. This Stipulation does not constitute a finding of willful violations by the Respondent.

VIOLATIONS

Based upon the facts stipulated above, the Commission would likely find two violations of RCW 42.17.105. Staff has asserted that RCW 42.17.660 is not necessary in establishing the violations of RCW 42.17.105 above. Respondent has stated that it does not agree with Staff’s assertion. Staff understands that Respondent has taken the position that application of RCW 42.17.105 in this matter violates the U.S. and Washington State Constitutions, and the Respondent reserves its right in future cases before the Commission to assert such a position.

Staff also acknowledges that Respondent contends that the ad in Exhibit 19, reported by Spokane Municipal Elections Council (SMEC), is an “issue ad” and not subject to contribution restrictions under RCW 42.17.105(8). Staff does not concur with this contention.

PENALTY

Respondent and Staff agree that based upon the facts and the agreement regarding two violations above, Respondent is willing to pay \$10,000 within 60 days from the entry of the Commission’s Final Order in this matter. An additional \$10,000 is suspended on the condition that there be no violations of any provision of RCW 42.17 within four years from the date of the Final Order in this matter. The suspended portion of this penalty will only be imposed upon a finding of violation or order of referral by the full Commission, or other final adjudication after Respondent is afforded all due process to which it is entitled under the law.

Respondent reaffirms its intention to comply in good faith with RCW 42.17 and this Stipulation.

Respectfully submitted this 10th day of September, 2001.

_____/s_____
Vicki Rippie, Executive Director
Public Disclosure Commission

Date Signed

_____/s_____
Michael K. Vaska
Marc Greenough
Attorneys for Respondent Metropolitan
Mortgage and Securities, Inc.

Date Signed